



Help Shape the Future of Classification on Industries in Australia

Closed 25 Nov 2022

Opened 26 Sep 2022

Contact

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Feedback updated 7 Jun 2023

We asked

The Australian Bureau of Statistics (ABS) commenced public consultation 'Help Shape the Future of Classification on Industries' on 26 September 2022.

The consultation's purpose was to collect information on how the industry classification is currently used by businesses or organisations, understand the issues with the current Australia and New Zealand Standard Industrial Classification (ANZSIC) and whether the revised International Standard Industrial Classification of All Economic Activities (ISIC) could meet these needs. The consultation also sought to understand any barriers to implementing a revised ANZSIC or alternate industry classification. This information is to be used in the development of a roadmap to review Australia's Standard industrial classification.

Public consultation ran for 9 weeks, 26 September 2022 till 25 November 2022, and specifically sought feedback on:

1. The use of industry classifications and the purpose of that use.
2. The business characteristics of most importance when classifying a business.
3. The revised ISIC and if it would be a suitable alternative for ANZSIC 2006.
4. The current issues with ANZSIC 2006 and what users would like to see covered in a future industrial classification.

5. The barriers for their organisation to implement a new classification, including an estimate of the amount of time it would take to implement changes.

You said

The public consultation generated 62 submissions from a wide range of federal government, state government and private industry stakeholders.

The majority of submissions we received highlighted the use of industry classifications for industry specific research, analysis of the Australian economy or for policy development. Users identified that goods and services produced by a business are key characteristics of importance when classifying a business to an industry classification, along with the type of customer a business sells to and how a business produces its output. Other topics of interest were innovation and environmental impact.

Stakeholders were asked to give feedback on the suitability of ISIC as an alternative to ANZSIC. Respondents felt that while ISIC is likely to meet Australia's classification requirements at a higher level, it doesn't meet more detailed industry classification requirements and that ISIC would need to be expanded to suit Australia's classificatory needs. Feedback identified that ISIC focuses heavily on the international economy, with a broad range of industries grouped together and in some circumstances does not have enough detail to reflect Australian industrial activity.

We received comprehensive feedback on issues associated with ANZSIC 2006 and what stakeholders would like to see included in a future industrial classification. There was widespread acknowledgement from respondents that ANZSIC 2006 hasn't kept pace with Australia's changing industry structure over the last 15 years and improvements need to be made to the classification. Feedback recommended improvements to classification structure and industry coverage. It also highlighted that users have a diverse range of topics that they would like the industry classification to cover.

Also, feedback was received on issues not directly related to the industry classification, rather information on different business characteristics that users would find valuable and how this information could be linked to industry information to better meet policy objectives.

Feedback indicated that the benefit of having an updated classification outweighed the initial barriers to implementing a new classification, however, the ABS acknowledges that implementation concerns raised by some respondents will require further exploration and consultation. We also recognise that not all users' requirements may be met with an updated classification and that alternate views of that classification may be required.

We did

Based on the feedback provided, the ABS is considering the choice between updating ANZSIC and adopting a localised version of ISIC. A localised version of ISIC could share the structure at a high level, but have further lower level detail to better meet Australian needs.

The ABS needs to do further work to understand the development and implementation costs for the ABS and other stakeholders of an updated industrial classification.

The new ISIC rev 5 structure was endorsed by the United Nations Statistical Commission in their March 2023 meeting. Work is underway to produce the explanatory information to support the revised international classification.

If you would like more information, please email standards@abs.gov.au with any questions on this consultation or for further information.

Overview

ABS will undertake a consultation process from late-Sept to late-Nov 2022 seeking feedback on how Australian and New Zealand Standard Industrial Classification (ANZSIC) is currently used, key concerns with the ANZSIC as well as identifying issues with implementing a new industry classification. This consultation also aims to raise awareness of key changes to the revised International Standard Industrial Classification of All Economic Activities (ISIC) as proposed by the United Nations Statistical Division (UNSD), seeking feedback on whether the updated ISIC could meet Australian requirements. A global consultation on the revised ISIC is planned by the UNSD during September and October 2022, with updated ISIC scheduled to be endorsed by the United Nations Statistical Commission in March 2023.

Why your views matter

The information you provide will assist in making the decision on how Australia will move forward with its industry classification, developing a roadmap for an industry classification review.

ANZSIC had a major review in 2006 and with changes in the industrial structure of Australia's economy over the past 15 years it no longer reflects some aspects of our economy. The current ANZSIC requires a review or to be replaced with a

more contemporary industry classification to ensure collection and production of high-quality industry statistics, improving data analysis and decision making for policies and program deliveries.

Our current options for industry classification review include:

- Adopt updated ISIC fully to replace ANZSIC
- Adjust ISIC to create a local (country/region) industry classification to reflect Australian users' requirements.
- Review ANZSIC independent of ISIC

To make a submission:

1. Please read the information papers:

- Help Shape the Future of Classification on Industries in Australia - Scope
- Help Shape the Future of Classification on Industries in Australia - FAQs
- Help Shape the Future of Classification on Industries in Australia - Survey Questions
- Help Shape the Future of Classification on Industries in Australia - Timeline

All papers are linked under the heading **Related** at the bottom of the ABS Consultation Hub **Overview** page.

2. A link is provided on the ABS Consultation Hub to the Help Shape the Future of Classification on Industries in Australia Survey where you will be guided to provide feedback through a series of questions. You are not required to respond to every question, although your submission will be strengthened by your ability to answer as thoroughly as possible and by providing supporting evidence where possible. To help prepare your submission a copy of the survey questions is provided in the document "Help Shape the Future of Classification on Industries in Australia - Survey Questions" under the heading **Related** at the bottom of the ABS Consultation Hub **Overview** page.

The closing date for submissions is 25 November 2022.

Related

 [Help Shape the Future of Classification on Industries in Australia - Scope](#)
28.2 KB (Office Word 2007 XML document)

 [Help Shape the Future of Classification on Industries in Australia - FAQs](#)
1.6 MB (Office Word 2007 XML document)

 [Help Shape the Future of Classification on Industries in Australia - Survey Questions](#)

30.7 KB (Office Word 2007 XML document)

 [Help Shape the Future of Classification on Industries in Australia - Timeline](#)

9.4 MB (Office Powerpoint 2007 XML presentation)

Audiences

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Interests

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